



# OFFICE OF THE CLERK/TREASURER

City of Burlington

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## BOARD OF FINANCE

OCTOBER 17, 2011

### MINUTES

PRESENT: Mayor Kiss; City Council President Keogh; Councilors Paul and Wright; Interim CAO Schrader

ALSO PRESENT: Councilor Bushor; ACAO Goodwin; John Vickery, Assessor; Lise Veronneau, John King, Police; Carol Weston, DPW; Colin McNeil, McNeil, Leddy, and Sheahan

ABSENT: Councilor Mulvaney-Stanak

#### 1. Agenda

Item 7: Settlement Negotiations with Gilbane Regarding Champlain Parkway was removed from the agenda. On a motion by City Council President Keogh and Councilor Wright, the agenda was adopted as amended.

#### 2. ASSESSOR: Request for Valuation Assistance of Redstone Lofts

John Vickery, City Assessor, stated this was a large project and there were no comparable sales in the State of Vermont. The Assessor's Office did not have the resources to do the necessary research. Additionally, on projects of this size, the valuation was always appealed by professionals in an effort to lower the tax rate. Hiring an appraiser would be the best defense mechanism to prevent this.

Councilor Wright inquired where the funding would come from. Mr. Vickery stated the Assessor's budget could absorb some, but not all, of the expense. If authorized, the funds would come from the General Fund budget. In the case of Redstone Apartments, there had been a long appeal process and the original assessment was lowered from \$11,238,000 to \$7,800,000, resulting in a loss of \$37,000 in tax revenue annually. Getting it right the first time would prevent a bigger loss and allow a review of other properties. Mayor Kiss stated it would also insert a third party between the City and the University.

City Council President Keogh and Councilor Wright made a motion to approve the request. The motion passed unanimously by a vote of 4-0.

#### 3. AIRPORT: Authorization for Land Purchases

The Board reviewed a communication from the Burlington International Airport requesting authorization to purchase three homes. A member of the audience inquired about funds being expended for relocation services on behalf of the City and where this funding came from. ACAO Goodwin stated he was unsure if it was in the operating costs or if it was reimbursed from the

FAA.

Councilor Paul inquired if someone from the Airport would be attending the meeting. ACAO Goodwin stated all Airport managers were out of state. Interim CAO Schrader stated the resolution suggested relocation services would be funded through Grant Anticipation Notes and reimbursement from the FAA. Councilor Paul inquired if these were the last properties that have been purchased. Interim CAO Schrader stated they were.

City Council President Keogh and Councilor Wright made a motion to approve the purchases. The motion passed unanimously by a vote of 4-0.

#### **4. SCHOOLS: License Agreement with BTV Schools Solar LLC**

Colin McNeil of McNeil, Leddy, and Sheahan stated this item had been before the School Board for a purchase power agreement with BED. This would allow solar panels to be put on the roofs of BHS and C.P. Smith.

Councilor Paul inquired if there were any changes to the agreement. Colin McNeil stated there had been an addition of some contingencies that would have to be met before construction began.

Interim CAO Schrader stated the agreement allowed the Schools to contract with the company who will sell the electricity to BED, with the City getting 10% of the gross. He inquired if the Schools would receive any of the electricity generated. Colin McNeil stated that was how the agreement would work and the Schools would not receive the electricity.

Mayor Kiss inquired if the solar panels would revert back to the schools. Colin McNeil stated the panels belong to the entity and will remain on the schools for twenty years. Interim CAO Schrader inquired if an escrow would be set up to pay for removal. Colin McNeil stated the School Department was in charge of the escrow but it would revert back to the company once the panels were removed and the roof was repaired to the School's satisfaction.

A member of the audience inquired why the school would not utilize that energy and sell the excess back to BED. Colin McNeil stated it was because there were benefits for the company through tax credits that the School District would not be eligible for.

City Council President Keogh and Councilor Wright made a motion to approve the agreement. The motion passed unanimously by a vote of 4-0.

Councilor Paul inquired about the teacher FICA issue. Mayor Kiss stated there had been a meeting with representatives from the City and the Schools and they were working to analyze the details. Interim CAO Schrader stated the initial action of the meeting was to set up a work group to gather information. More work would be needed to be done prior to making a recommendation. There would be an internal meeting along with a meeting with the schools to compare notes. Councilor Paul inquired if this issue would be resolved before the next budget. Interim CAO Schrader stated some issues would be addressed, but maybe not all of them.

#### **5. DPW: Pearl Street Improvement Contract and Amendment**

The Board considered a contract request from Carol Weston of DPW. Ms. Weston stated this

contract would authorize the hiring of someone to help the crew build the project on Pearl Street and to work with one of the City Engineers at the site. This was put together with the on-call consultant contract where there were a number of consultants that can be called for projects. Some materials testing brought the contract over the \$50,000 threshold. It was 80% covered by the earmark, with 20% being covered through the Street Capital Program.

City Council President Keogh inquired if this would come from sidewalk money. Carol Weston stated it would come out of paving.

Mayor Kiss inquired about the timetable. Carol Weston stated the north side would be done this fall and the south side in the spring. Next year street lights and signs would be placed.

City Council President Keogh thanked Public Works for their good work with paving.

Councilor Wright inquired about problems with the length of time spent paving North Avenue. Carol Weston stated she was not sure what the cause was but would try to find the answer. Mayor Kiss stated it had taken a long time because the Street was so long and they wanted to complete the project all at once. Carol Weston added that there had been problems with contractors being spread too thin.

Councilor Paul and City Council President Keogh made a motion to approve the contract and amendment. The motion passed unanimously by a vote of 4-0.

## **6. POLICE: Tow Contract – Extension**

The Board considered a request from the Police Department to extend the current towing contract. Lise Veronneau, Police, stated the contract review process was extensive and they were working to add new criteria through an RFP process. The vendor would have to agree to the new terms and it was unclear if the entire process would be completed by the end of November. John King, Police, stated the goal was to have the new contract completed by the end of November but would like to extend the old one until January to be safe.

Mayor Kiss inquired if anyone other than Spillane's could do the work. Lise Veronneau stated they were the only one because of the scope of the work. In the past there had been multiple tow vendors but it was too difficult and chaotic for the department to work with.

City Council President Keogh inquired about the rates of towing. John King stated they have remained the same and the amount of snow affects towing rates the most. There were now phone and email notifications when there snow bans were in effect.

City Council President Keogh and Councilor Paul made a motion to approve the extension. The motion passed by a vote of 4-0.

On a motion by City Council President Keogh and Councilor Paul, the meeting was adjourned at 5:40 p.m.